



Iowa Department of Human Services

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INFORMATIONAL LETTER NO.1836-MC-FFS

DATE: October 19, 2017

TO: Iowa Medicaid Hospice Providers

APPLIES TO: Managed Care, Fee-for-Service

FROM: Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

RE: Two-Tiered Hospice Payment and Service Intensity Add-on (SIA)

EFFECTIVE: October 1, 2017

Pursuant to the final hospice rule published on August 6, 2015, payment for hospice care has changed to a two-tiered payment and a new service called Service Intensity Add-on (SIA) payment has been added.

A letter from the Centers for Medicare and Medicaid Services (CMS) dated September 8, 2017, updated the rates for the two-tiered system and SIA effective October 1, 2017. Effective for hospice services with dates of service on or after October 1, 2017, a hospice day billed at the Routine Hospice Care (RHC) level of care will be paid one of two RHC rates based on the following:

1. The day is billed as a RHC level of care.
2. If the day occurs during the first 60 days, the RHC rate will be equal to the RHC "High" rate.
3. If the day occurs during days 61 or later, the RHC rate will be equal to the RHC "Low" rate.
4. For a hospice patient who is discharged and readmitted to hospice within 60 days of that discharge, their prior hospice days will continue to follow the patient in determining the "High" or "Low" rate.
5. For a hospice patient who has been discharged from hospice care for more than 60 days, a new period of hospice will apply and be paid at the "High" rate.

These rates are calculated on the annual hospice rates established under Medicare. Rates for hospice physicians are not increased under this provision.

Effective for hospice service with dates of service on or after October 1, 2017, a hospice claim will be eligible for a SIA payment if the following criteria are met:

1. The day is billed as a RHC level of care day;
2. The day occurs during the last seven days of life and the member is discharged as deceased, (field 17 on the UB-04 claim form)
40 Expired at home
41 Expired in a medical facility

42 Expired place unknown

3. Direct patient care is provided by a Registered Nurse (RN) or social worker that day for at least 15 minutes and up to four hours total; and
4. The service is not provided in a skilled nursing facility or nursing facility.
5. The service is not provided by a social worker via telephone.

The billing codes to use for the SIA are G0299 for the RN and G0155 for the social worker. There is no SIA payment for the first two days of RHC.

The IME has loaded the rates into the system and therefore there will be no need to process mass adjustments to reprice claims for dates of service beginning October 1, 2017.

See attachment for the rates effective October 1, 2017.

If you have questions, please contact the IME Provider Services Unit at 1-800-338-7909 or email at imeproviderservices@dhs.state.ia.us.